

**AMENDMENTS TO THE CLAIMS**

Please enter the following claim amendments:

What is claimed:

Claims 1-15. (Cancelled)

Claim 16. (New) A computer-implemented method of reducing market risk and cost for producers and consumers of manufactured products and finished goods in a global marketplace by transformation of in-process material specifications into semi-standard financial instruments based on dynamically updated sector product information, market data, business intelligence, and manufacturing sector general information, the method comprising:

identifying a manufacturing sector based on a measure of the relative importance of the sector in comparison to other sectors of an economy;

creating, using the computer, a hierarchical product taxonomy of a group of products of the sector, comprising:

creating a product taxonomy tree representing the group of products as sector products, wherein the branches of the tree represent successively defined sub-sector products and sub-sector product groupings, and the leaves of the tree represent root products,

extracting from a bill of materials for each product group a set of product group items as a sub-group and for each subgroup of the sector a set of product sub-group items,

identifying one or more dominant product groups or sub-groups based on the value-added of the group or subgroup being approximately equal to or

exceeding 80% of the total dollar value of the product group or subgroup for such product items, wherein the value-added is based on the purchase price of materials for each group or sub-group item, iterating the creating, extracting, and identifying by further branching the product taxonomy tree for each identified dominant product sub-group, until all root products are identified based on applying Pareto's Law to the dollar value-added of identified dominant product groups or sub-groups, and

providing, from sector product information suppliers' technical information, a complete product specification by homogenization of the root products as standardized root products;

extracting, using a computer, sector, market data, business intelligence, and manufacturing sector general information from Internet data sources using agent-based filtering, the information including products pricing data;

providing, in a computer database, the hierarchical product taxonomy tree with the sector, market data, business intelligence and manufacturing sector general information for each of the identified dominant product groups and sub-groups; and

creating, from the computer database, a semi-standard financial instrument based on each extracted root product and providing the semi-standard financial instrument as a tradeable financial instrument in an electronic marketplace,

wherein the value of the financial instrument is adjusted based on a value-weighted price index of at least one underlying derivative associated with the product group(s), sub-group(s), or root product.